



Federal Communications Commission  
Washington, D.C. 20554  
AUG 19 1998

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75-04573

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AUG 24 1998

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

ORIGINAL

The Honorable Olympia J. Snowe  
United States Senator  
68 Sewall Street, Suite 101C  
Augusta, ME 04330

Dear Senator Snowe:

Thank you for your letter on behalf of your constituents, Donna & Gary Judkins, regarding a "telephone tax" or fee that may be added to some consumers' telephone bills by carriers to recover their contributions to the universal service support mechanisms.

On May 7, 1997, the Commission adopted a first Report and Order to implement the Federal-State Joint Board's recommendations on universal service as required by the Telecommunications Act of 1996 (1996 Act). The Commission established universal service support mechanisms that fulfill Congress's goal, as stated in section 254 of the 1996 Act, of ensuring that affordable, quality telecommunications services are available to all American consumers, including low income consumers and those located in high cost, rural, and insular areas. In addition, these mechanisms implement Congress's mandate to ensure the nation's classrooms and libraries receive access to the vast array of educational resources that are accessible through the telecommunications network. These support systems also will link health care providers located in rural areas to urban medical centers so that patients living in rural America will have access, through the telecommunications network, to the same advanced diagnostic and other medical services that are enjoyed in urban communities.

The 1996 Act requires all telecommunications carriers that provide interstate telecommunications services to contribute on an equitable and nondiscriminatory basis to universal service. The Commission implemented this statutory provision by requiring all such telecommunications carriers to contribute to the universal service support mechanisms. Neither Congress, nor the Commission, requires such carriers to pass this contribution on to their customers. To the contrary, carriers decide how and to what extent they recover their contributions. Carriers, however, may not mislead customers as to how they recover contributions and may only recover an equitable share from any particular customer.

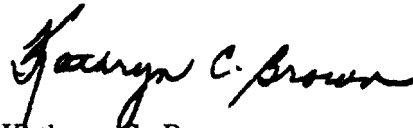
The Commission is monitoring the universal service support mechanisms and their impact on telephone ratepayers. This issue will be carefully reviewed as the support mechanisms are administered.

22 pages  
10/1/98

2

Your letter has been placed in the official public record of the universal service proceeding (CC Docket No. 96-45). I appreciate your interest and views on these important issues.

Sincerely,

A handwritten signature in black ink, reading "Kathryn C. Brown". The signature is written in a cursive, flowing style.

Kathryn C. Brown  
Chief  
Common Carrier Bureau

OLYMPIA J. SNOWE  
MAINE

COUNSEL TO THE GOVERNOR  
MAJORITY LEADER  
250 RUSSELL SENATE OFFICE BUILDING  
(202) 224-5344

## United States Senate

WASHINGTON, DC 20510-1903

May 29, 1998

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*GCB*  
*96-45*  
*Billing*  
*4593*

Ms. Judith L. Harris, Director  
Office of Leg. and Intergovernmental Affairs  
Federal Communications Commission  
Room 808  
1919 M Street, N.W.  
Washington, D.C. 20554

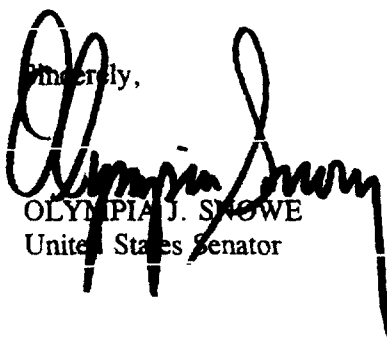
Dear Ms. Harris:

I am enclosing a copy of a letter I received from Donna & Gary Judkins of Augusta, Maine. The Judkins are concerned about having to contribute to said Univ. Svc. Fnd. on their telephone bill. Would you please look into the situation as described by The Judkins and forward your written response to my Augusta office?

If you have questions or need additional information, please feel free to contact John Cummings of my Augusta office at (207)622-8292.

Thank you for your time and efforts on behalf of The Judkins.

Sincerely,

  
OLYMPIA J. SNOWE  
United States Senator

Enclosure  
OJS:jsc

AUBURN  
TWO GREAT FALLS PLAZA  
SUITE 7B  
AUBURN, ME 04210  
(207) 786-2451

AUGUSTA  
68 SEWALL STREET, SUITE 101C  
AUGUSTA, ME 04330  
(207) 622-8292

BANGOR  
ONE CUMBERLAND PLACE, SUITE 306  
BANGOR, ME 04401  
(207) 945-0432

BIDDEFORD  
231 MAIN STREET, SUITE 2  
BIDDEFORD, ME 04005  
(207) 282-4144

PORTLAND  
3 CANAL PLAZA, SUITE 801  
P.O. BOX 188  
PORTLAND, ME 04112  
(207) 874-0883  
MAINE RELAY SERVICE  
TDD 1-955-3323

PRESQUE ISLE  
169 ACADEMY STREET, SUITE 3  
PRESQUE ISLE, ME 04769  
(207) 784-5124

RR 2 Box 70  
Augusta, ME 04330  
(207) 626-3345

Senator Olympia Snowe  
Suite 101  
68 Sewall Street  
Augusta, ME 04330

Dear Senator Snowe:

We have as a long distance phone company VarTec Telecom, Inc. They charge us 20 cents per call and 10 cents per minute which we feel is reasonable. We are billed through Bell Atlantic.

Our bill for the period covering 2/19/98 to 3/18/98 had listed on 2/28/98 an item for \$1.27 listed as Univ. Svc. Fnd. no other explanation.

We called VarTec Telecom, Inc. at 1-800-583-6767 and were given an explanation that the FCC had levied this item on all long distance callers at the rate of a little over 4%. It is to go for books and things.

How can they do this without our permission? This sounds like a donation that we are being forced to pay whether we want it or not.

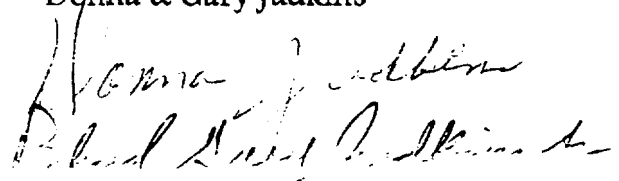
We are enclosing a copy of our bill from VarTec. Notice in the summary section that we already are taxed at \$1.01 which we agree with.

We do not want to have this on our bill. Is this a tax? Can the FCC do this? Was it passed by congress? This sounds like another attempt on someone's part to fleece the public again.

We would like Senator Snowe to look into this and find out what's going on.

Sincerely,

Donna & Gary Judkins

Handwritten signatures of Donna and Gary Judkins. The signature for Donna is written above the signature for Gary. Both signatures are in cursive script.



Account Number 207 626-3345 319 003 4  
Bill Period Feb 19 - Mar 18, 1998  
VarTec Page 1 of 1

This portion of your bill is provided as a service to VarTec Telecom, Inc. There is no connection between Bell Atlantic and VarTec Telecom, Inc. R002 04330

Helpful Numbers Billing inquiries call VarTec Telecom, Inc. 1-800-583-6767

Summary		VarTec Telecom, Inc.	
1	Toll Calls		\$33.67
2	Federal Tax		1.01
Total			\$34.68

#### Itemized Calls

Toll Calls		Directly Dialed						
no.	date	time	place called	number called	rate period	min. sec	amount	
3	2/14	1:01 pm	Stamford CT	203 327 4421	night	1:00	\$ .30	
4	2/16	12:46 pm	Stamford CT	203 327 4421	day	10:00	1.20	
5	2/17	6:47 pm	Stamford CT	203 327 4421	eve	37:00	3.90	
6	2/17	10:46 pm	Stamford CT	203 327 4421	eve	9:00	1.10	
7	2/19	9:27 pm	Stamford CT	203 327 4421	eve	25:00	2.70	
8	2/22	6:36 pm	Stamford CT	203 327 4421	eve	66:00	6.80	
9	2/23	3:48 pm	Stamford CT	203 595 9675	day	19:00	2.10	
10	2/24	11:16 pm	Stamford CT	203 327 4421	night	15:00	1.70	
11	2/28		Univ Svc Fnd				1.27	
12	3/8	9:38 pm	Stamford CT	203 327 4421	multi	124:00	12.60	
Total							\$33.67	